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March 28, 2013

The Honorable Charles Hagel
U.S. Department of Defense
1300 Defense Pentagon
Washington, DC 20301-1300

Dear Secretary Hagel,

Congratulations on your confirmation as Secretary of Defense. I look forward to working with you in this new capacity.

I write in regard to language contained in Senate Report 112-173. This report accompanies the National Defense Authorization Act for Fiscal Year 2013 (Public Law 112-239). The language directs the Secretary of Defense to provide a report to Congress regarding critical manufacturing capabilities and capacities of the defense industrial base.

In recognition of the importance of the organic industrial base, and the desire to retain the unique core capabilities of these facilities, it is vital that the Department of Defense address the workload capacities necessary to sustain those competencies. Senate Report 112-173 highlights this issue and directs the Department to provide further information to Congress. The language states the following:

"The committee maintains the view that expanded authority for all military industrial facilities to designate Centers of Industrial and Technical Excellence significantly improves the Department of Defense's core competencies, repair capabilities, and manufacturing functions. As operational tempo declines from drawdowns associated with combat operations in Iraq and Afghanistan, the committee is concerned that sufficient workload is necessary to ensure cost efficiency and technical competence in peacetime, while preserving the ability to provide an effective and timely response to a mobilization, national defense contingency situations, and other emergency requirements.

Accordingly, the committee directs the Secretary of Defense to identify critical manufacturing capabilities and capacities that should be government owned and government operated, identify the level of work needed to sustain capabilities, and report to the congressional defense committees on these matters no later than February 28, 2013."

To date, this report has not been submitted to Congress. I request an update regarding the status of this report and the timeframe in which Congress can expect to receive it. Further, I request

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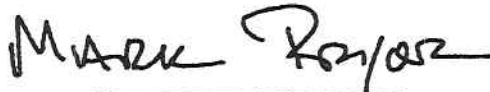
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that the report pay special attention to the level of workload that is "necessary to ensure cost efficiency and technical competence in peacetime," in addition to the workload necessary to sustain capabilities. Workload levels to sustain capabilities can be significantly different than workload levels to maintain cost efficient capabilities.

This is a particularly relevant distinction for many of our arsenals, including Pine Bluff Arsenal in Jefferson County, Arkansas. As we discussed during our meeting on February 4, 2013, Pine Bluff Arsenal is a critical component of the defense organic industrial base. Pine Bluff Arsenal is home to unique ammunition and chemical, biological, radiological, and nuclear production capabilities critical to our nation's defense.

I appreciate your attention to this matter and look forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Pryor", written over a horizontal line.

Senator Mark Pryor

United States Senate
WASHINGTON, DC 20510-0405

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